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DEPARTMENT OF COMMERCE

International Trade Administration

[A-489-501]

Circular Welded Carbon Steel Standard Pipe and Tube Products from Turkey: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2017-2018

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that the single entity comprised of Borusan Mannesmann Boru Sanayi ve Ticaret A.S. (Borusan Mannesmann) and Borusan Istikbal Ticaret T.A.S. (Borusan Istikbal) (collectively, Borusan) made sales of circular welded carbon steel standard pipe and tube products (welded pipe and tube) from Turkey at less than normal value (NV) during the period of review (POR), May 1, 2017 through April 30, 2018. Commerce also determines that the single entity comprised of Toscelik Profil ve Sac Endustrisi A.S., Tosyali Dis Ticaret A.S., and Toscelik Metal Ticaret A.S. (Toscelik Metal) (collectively, Toscelik) did not make sales of welded pipe and tube from Turkey at less than NV during the POR.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Magd Zalok or Karine Gziryan, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4162 or (202) 482-4081, respectively.

SUPPLEMENTARY INFORMATION:

Background

Commerce published the *Preliminary Results* on July 18, 2019.¹ This review covers 16 producers or exporters of subject merchandise, including the two mandatory respondents, the single entity of Borusan,² and the single entity of Toscelik.³ We invited interested parties to comment on the *Preliminary Results*. On September 13, 2019 and September 24, 2019, we received case briefs from interested parties,⁴ and on September 27th and 30th, respectively, we received rebuttal briefs from interested parties.⁵ On August 14, 2019, Borusan requested that

¹ See *Circular Welded Carbon Steel Standard Pipe and Tube Products from Turkey: Preliminary Results of Antidumping Duty Administrative Review and Preliminary Determination of No Shipments; 2017-2018*, 84 FR 34345 (July 18, 2019) and accompanying Memorandum, “Decision Memorandum for Preliminary Results of Antidumping Duty Administrative Review: Circular Welded Carbon Steel Standard Pipe and Tube Products from Turkey; 2017-2018” dated July 18, 2019 (*Preliminary Results*).

² In prior segments of this proceeding, we treated Borusan Mannesmann Boru Sanayi ve Ticaret A.S. and Borusan Istikbal Ticaret T.A.S. as a single entity. See, e.g., *Welded Carbon Steel Standard Pipe and Tube Products from Turkey: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2013-2014*, 80 FR 76674, 76674 (December 10, 2015). We determine that there is no evidence on the record for altering our treatment of Borusan Mannesmann Boru Sanayi ve Ticaret A.S. and Borusan Istikbal Ticaret T.A.S., as a single entity.

³ In prior segments of this proceeding, we treated Toscelik Profil ve Sac Endustrisi A.S., Tosityali Dis Ticaret A.S., and Toscelik Metal as a single company. See, e.g., *Welded Carbon Steel Standard Pipe and Tube Products from Turkey: Final Results of Antidumping Duty Administrative Review and Final Determination of No Shipments; 2013-2014*, 80 FR 76674, 76674 n.2 (December 10, 2015). Accordingly, we determined that there is no evidence on the record for altering our treatment of Toscelik Profil ve Sac Endustrisi A.S., Tosityali Dis Ticaret A.S., and Toscelik Metal as a single company. See also Memorandum, “Administrative Review of the Antidumping Duty Order on Circular Welded Carbon Steel Standard Pipe and Tube Products from Turkey: Respondent Selection,” dated August 8, 2018 (Respondent Selection Memorandum).

⁴ See Borusan’s Letter, “Administrative Review of the Antidumping Order on Circular Welded Pipe and Tubes from Turkey: Redacted Case Brief,” dated September 24, 2019 (Borusan’s Case Brief); see also Petitioner’s Letter, “Circular Welded Pipe and Tubes from Turkey: Case Brief,” dated September 24, 2019 (Petitioner’s Case Brief); and Letter on behalf of Independence Tube Corporation (Independence Tube) and Southland Tube, Incorporated (Southland Tube), Nucor companies (collectively, Nucor Company), “Certain Welded Carbon Steel Standard Pipes and Tubes from Turkey: Case Brief,” dated September 13, 2019. The Nucor Company submitted its brief in support of Wheatland’s case brief, concurring and adopting by reference the arguments set forth in Wheatland’s brief. The petitioner is Wheatland Tube Company (petitioner).

⁵ See Petitioner’s Letter, “Circular Welded Pipe and Tubes from Turkey: Rebuttal Brief” dated September 30, 2019 (Petitioner’s Rebuttal Brief); see also Borusan’s Letter, “Circular Welded Pipe and Tubes from Turkey Case No. A-489-501: BMB’s Rebuttal Brief,” dated September 30, 2019 (Borusan’s Rebuttal Brief); and the Nucor Company’s Letter “Certain Welded Carbon Steel Standard Pipes and Tubes from Turkey: Rebuttal Brief,” dated September 27, 2019. The Nucor Company submitted its rebuttal brief in support of Wheatland’s rebuttal brief, concurring and adopting by reference the arguments set forth in Wheatland’s rebuttal brief.

Commerce conduct a hearing in this proceeding.⁶ We held a hearing on October 23, 2019. On November 1, 2019, Commerce extended the deadline for the final results by 60 days to January 14, 2020.⁷

Commerce conducted this administrative review in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act).

Scope of the Order

The products covered by this order are welded carbon steel standard pipe and tube products with an outside diameter of 0.375 inch or more but not over 16 inches of any wall thickness, and are currently classified under the following Harmonized Tariff Schedule of the United States (HTSUS) subheadings: 7306.30.10.00, 7306.30.50.25, 7306.30.50.32, 7306.30.50.40, 7306.30.50.55, 7306.30.50.85, and 7306.30.50.90. Although the HTSUS subheading is provided for convenience and customs purposes, the written description of the merchandise under investigation is dispositive. These products, commonly referred to in the industry as standard pipe or tube, are produced to various ASTM specifications, most notably A-120, A-53 or A-135.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs by parties to this administrative review are addressed in the Issues and Decision Memorandum (IDM),⁸ which is hereby adopted by this notice. A list of the issues raised is attached to this notice as an Appendix. The IDM is a public

⁶ See Borusan's Letter, "Circular Welded Pipe and Tubes from Turkey Case No. A-489-501: Request for Hearing," dated July 18, 2019;

⁷ See Memorandum, "Circular Welded Carbon Steel Standard Pipe and Tubes from Turkey: Extension of Deadline for Final Results of 2017-2018 Antidumping Duty Administrative Review," dated November 1, 2019.

⁸ See Memorandum, "Issues and Decision Memorandum for the Final Results of the 2017-2018 Administrative Review of the Antidumping Duty Order on Circular Welded Carbon Steel Standard Pipe and Tube from Turkey," dated concurrently with, and hereby adopted by, this notice.

document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and ACCESS is available to all parties in the Central Records Unit (CRU) for Enforcement and Compliance, Room B8024 of the main Commerce building. In addition, a complete version of the IDM can be accessed directly at <http://enforcement.trade.gov/frn/index.html>. The signed IDM and the electronic version of the IDM are identical in content.

Final Determination of No Shipments

In the *Preliminary Results*, Commerce preliminarily determined that eleven companies had no shipments during the POR.⁹ Following publication of the *Preliminary Results*, we received no comments from interested parties regarding these claims. As a result, and because the record contains no evidence to the contrary, we continue to find that these eleven companies made no shipments during the POR. Consistent with our practice, we will issue appropriate instructions to U.S. Customs and Border Protection (CBP) based on our final results.

Changes Since the Preliminary Results

Based on our review of the record and comments received from interested parties, we made the following revisions to the preliminary margin calculations for Borusan and Toscelik.¹⁰

As a result of the regression analysis followed in these final results which serves as the basis for

⁹ See *Preliminary Results*, 84 FR at 34346. See also certification of no shipments filed by: Erbosan Erciyas Boru Sanayi ve Ticaret A.S. (Erbosan); (2) Cayirova Boru Sanayi ve Ticaret A.S. (Cayirova); (3) Yucel Boru ve Profil Endustrisi A.S. (Yucel); (4) Yucelboru Ihracat Ithalat ve Pazarlama A.S. (Yucelboru); (5) Borusan Birlesik Boru Fabrikalari San ve Tic (Borusan Birlesik); (6) Borusan Gemlik Boru Tesisleri A.S. (Borusan Gemlik); (7) Borusan Ihracat Ithalat ve Dagitim A.S. (Borusan Ihracat); (8) Borusan Ithicat ve Dagitim A.S. (Borusan Ithicat); (9) Borusan Holding (BMBYH); (10) Borusan Mannesmann Yatirim Holding (BMYH); and (11) Tubeco Pipe and Steel Corporation (Tubeco). We note that, while Borusan Istikbal also submitted a no-shipment certification on August 13, 2018, we continue to find Borusan Istikbal to be part of the single entity, Borusan, and we find no record evidence that warrants altering this treatment.

¹⁰ See Commerce's Analysis Memorandum, "Analysis for the Final Results: Borusan Mannesmann Boru Sanayi ve Ticarete A.S. and Borusan Istikbal Ticaret T.A.S.," and Analysis Memorandum, "Analysis for the Final Results: Toscelik," both of which are dated concurrently with this *Federal Register* notice.

an adjustment for a particular market situation, we recalculated the rate used to adjust the cost of hot-rolled coil, given Commerce’s finding that a particular market situation exists in Turkey.¹¹

- For Borusan, we applied the revised PMS adjustment rate to the cost of purchased HRC as reported in the DIRMAT1 field in Borusan’s cost of production data. See Comment 8.
- For Toscelik, we applied the revised PMS adjustment rate to the portion of the steel cost reported in the STEEL field in Toscelik’s cost of production data that represents the cost of purchased HRC. See Comment 9.

Final Results for Non-Examined Companies

The statute and Commerce’s regulations do not address the establishment of a rate to be applied to companies not selected for individual examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for determining the weighted-average dumping margin for all other producers or exporters in a less-than-fair market investigation, for guidance when calculating the rate for companies which were not selected for individual examination in an administrative review. Under section 735(c)(5)(A) of the Act, the all-others rate is normally “an amount equal to the weighted average of the estimated weighted average dumping margins established for exporters and producers individually investigated, excluding any zero or *de minimis* margins, and any margins determined entirely {on the basis of facts available}.”

In this review, we have a calculated weighted-average dumping margin for Borusan that is not zero, *de minimis*, or determined entirely on the basis of facts available. Accordingly,

¹¹ *Id.*; see also Comments 1 and 2 in the IDM.

Commerce assigns to the companies not individually examined the 9.99 percent weighted-average dumping margin calculated for Borusan.

Final Results of the Administrative Review

We have determined the following weighted-average dumping margins for the firms listed below for the period May 1, 2017 through April 30, 2018:

Producer or Exporter	Weighted-Average Dumping Margin (percent)
Borusan Mannesmann Boru Sanayi ve Ticaret A.S./Borusan Istikbal Ticaret T.A.S.	9.99
Toscelik Profil ve Sac Endustrisi A.S./Tosyali Dis Ticaret A.S./ Toscelik Metal Ticaret A.S.	0.00
Kale Baglanti Teknolojileri San. ve Tic.	9.99
Noksel Selik Boru Sanayi A.S.	9.99
Cinar Boru Profil San. ve Tic. As	9.99

Assessment Rates

Commerce has determined, and CBP shall assess, antidumping duties on all appropriate entries of subject merchandise in accordance with these final results of review.¹²

For Borusan, because its weighted-average dumping margin is not zero or *de minimis* (*i.e.*, less than 0.5 percent), Commerce has calculated importer-specific antidumping duty assessment rates. We calculated importer-specific *ad valorem* antidumping duty assessment

¹² See 19 CFR 351.212(b).

rates by aggregating the total amount of dumping calculated for the examined sales of each importer and dividing this amount by the total entered value associated with those sales. We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review where an importer-specific antidumping duty assessment rate is not zero or *de minimis*. Pursuant to 19 CFR 351.106(c)(2), we will instruct CBP to liquidate without regard to antidumping duties any entries for which the importer-specific assessment rate is zero or *de minimis*.

For Toscelik, we will instruct CBP to liquidate its entries during the POR imported by the importers identified in its questionnaire responses without regard to antidumping duties, because its weighted-average dumping margin in these final results is zero.¹³

For the three companies that had shipments during the POR and that were not selected for individual examination, we will instruct CBP to liquidate the appropriate entries and assess antidumping duties at an *ad valorem* rate equal to the weighted-average dumping margin specified in the “Final Rates of the Administrative Review” section, above.

Consistent with Commerce’s assessment practice, for entries of subject merchandise during the POR produced by any company upon which we initiated an administrative review and for which we have found that that company had “no shipments” during the POR, or for which they did not know that the merchandise was destined for the United States, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.¹⁴

We intend to issue instructions to CBP 15 days after publication of the final results of this review.

¹³ See *Antidumping Proceeding: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification*, 77 FR 8103 (February 14, 2012).

¹⁴ For a full discussion of this practice, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

Cash Deposit Requirements

The following cash deposit requirements will be effective for all shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) The cash deposit rate for each of the companies listed in the “Final Results of the Administrative Review” section above will be equal to the weighted-average dumping margin established in the final results of this review; (2) for previously reviewed or investigated companies not included in the final results of this review, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding in which the company was reviewed; (3) if the exporter is not a firm covered in this review, a previous review, or the original less-than-fair-value (LTFV) investigation, but the producer is, then the cash deposit rate will be the rate established for the most recently completed segment of this proceeding for the producer of subject merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 14.74 percent, the all-others rate established in the LTFV investigation.¹⁵ These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers Regarding the Reimbursement of Duties

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during the POR. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

¹⁵ See *Antidumping Duty Order; Welded Carbon Steel Standard Pipe and Tube Products from Turkey*, 51 FR 17784 (May 15, 1986).

Notification Regarding Administrative Protective Order

This notice also serves as a reminder to parties subject to administrative protective orders (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return/destruction of APO materials, or conversion to judicial protective order, is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

Notification to Interested Parties

We are issuing and publishing this notice in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.221(b)(5).

Dated: January 14, 2020.

Jeffrey I. Kessler
Assistant Secretary
for Enforcement and Compliance

Appendix

List of Topics Discussed in the Issues and Decision Memorandum

- I. SUMMARY
- II. BACKGROUND
- III. SCOPE OF THE ORDER
- IV. CHANGES SINCE THE PRELIMINARY RESULTS
- V. DISCUSSION OF THE ISSUES

General Issues

- Comment 1: Allegation of a Particular Market Situation (PMS) in Turkey
- Comment 2: Adjusting for PMS Based on Proposed Regression Analysis

Borusan-Specific Issues

- Comment 3: Whether Section 232 Duties Should be Deducted from U.S. Price
- Comment 4: Borusan Constructed Export Price (CEP) Sales
- Comment 5: Whether Borusan Reported Theoretical Weight Correctly
- Comment 6: Whether Borusan's Overrun Sales are Outside the Ordinary Course of Trade
- Comment 7: Reallocation of Material Costs
- Comment 8: Adjustment for Hot-rolled Coil (HRC) Cost to Account for the Effects of a PMS

Toscelik-Specific Issues

- Comment 9: Application of the PMS Adjustment to Toscelik's Costs

- VI. RECOMMENDATION

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